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## PSC TO HOLD HEARING THIS WEEK ON MPC GAS RATE HIKE PROPOSAL

Montana Power Co.'s request for an increase in natural gas rates and the company's proposal for sharing with customers the proceeds of the sale of its natural gas assets will be the subjects of a hearing to be held by the state Public Service Commission beginning Tuesday in Helena.

The hearing will start at 1:30 p.m. in the Bollinger Room at the PSC, 1701 Prospect Avenue.

The pending request for a rate increase to produce an additional \$51 million in annual revenue was filed by MPC last January in its annual "gas tracker" procedure, which the company files each year in order to adjust rates to reflect the cost it pays for natural gas. In regard to sharing its gas assets sale proceeds, MPC proposes that its annual gas revenue be decreased by about \$32 million. The proposed net change resulting from these filings is an increase in annual revenue of about \$19 million, which represents a 21-percent increase in the average gas bill for residential customers. The net increase proposed by MPC has been in effect since February on an interim basis, which is subject to refund if not approved on a final basis.

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